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THE DIFFERENTIAL CONTRIBUTIONS OF EMOTIONAL INTELLIGENCE TO BUSINESS PERFORMANCE IN THE SERVICES SECTOR: COMPARATIVE STUDY OFSELECTED SERVICE SECTORS IN GHANA

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ABSTRACT

This paper investigates the effect of Emotional Intelligence on business performance in the services sector in Ghana. A quantitative research approach was employed in this study. The target population of this study was customers and service delivery personnel of randomly selected banks, insurance firms, luxury hotels and telecommunication firms in Ghana. Stratified and random sampling methods were used to select a total of 1,303 customers and service delivery personnel each. Data was collected using self-administered questionnaires for customers and service delivery personnel. At 5% significance level, it is found that EI is much more applied in the insurance sector relative to the banking, telecommunication and hospitality sectors. The study confirms a positive correlation between EI and RM ($r = 0.661$, $p < .05$), SQ ($r = 0.731$, $p < .05$), CS ($r = 0.544$, $p < .05$) and ROI ($r = 0.346$, $p < .05$). This means that RM, SQ, CS and financial performance improves as the demonstration of EI in service delivery is enhanced in the services sector. RM, SQ and CS thus serve as mediators in the EI-ROI relationship in the service sector. Generally, EI is found to be relevant to service quality, customer satisfaction, customer loyalty and business performance although at varying degrees in each of the service sectors studied

KEYWORDS: Relationship Marketing, Service Quality, Customer Satisfaction, Customer Loyalty, Financial Performance, Emotional Intelligence

INTRODUCTION

Customers are of indispensable value to every business. This is owing to the fact that a business's market and financial performance is driven by patronage by customers. Similarly, growth of the business is an outcome of sustainable customer patronage. Consequently, product-centric firms focus on nurturing products of superior quality as a basis of meeting the taste and preferences of customers. Service firms likewise deliver services that address the needs of customers. As a result of increasing competition in the services sector in recent years, service providers tend to provide tailor-made services that yield extra value to customers (Ezzatabadi, Bahrami, Hadizadeh, Nasiri, & Tehrani, 2013; Danquah, 2014a). In a similar argument, Kernbach & Schutte (2005) posit that services are primarily delivered to impress customers

To impress customers in service delivery means to offer them services they perceive to have desired quality features. Currently, there is a consensus among marketers and researchers as to how services should be delivered to meet the service quality expectations of customers (Kernbach & Schutte, 2005; Horri, Shirsavar & Movahed, 2013). To meet the service quality expectations of customers, researchers (e.g. Kernbach & Schutte, 2005; Khalili, 2011; Komlosi, 2013; Ezzatabadi et al., 2013; etc.) have found that customer care personnel or service providers must have and demonstrate

Emotional Intelligence (EI) when providing services to customers. Many of these researchers are of the view that customers' service quality perceptions are easily reached when customers also demonstrate emotional intelligence when they are being served. However, many emotional intelligence researches have been focused on the role of service providers owing to the fact that businesses do not have full control over their customers

Though empirical studies have shown that service providers' emotional intelligence is the primary driver of service quality (Kernbach & Schutte, 2005; Khalili, 2011; Komlosi, 2013; Ezzatabadi et al., 2013, Danquah & Wireko, 2014), relationship marketing is believed to be a mediation of the relationship between EI and service quality. Thus emotional intelligence positively influences service quality when it is demonstrated by service providers in a relationship marketing (RM) practice. This scenario has been empirically confirmed by Kernbach & Schutte (2005), Danquah (2014a), Opuni & Adu-Gyamfi (2014) and others. These researchers have also confirmed an extension of the relationship among EI, RM and service quality to customer satisfaction, customer loyalty and financial performance. In this respect, EI is confirmed to positively influence RM, service quality, customer satisfaction, customer loyalty and financial performance

The positive relationship between emotional intelligence and financial performance of service firms has been empirically confirmed in many studies (Radha & Prasad, 2013; Danquah, 2014a; Danquah, 2014b; etc.). In this relationship, RM, service quality, customer satisfaction and customer loyalty serve as mediators (Radha & Prasad, 2013; Danquah, 2014b), but the relationship between financial performance and any of RM, service quality, customer satisfaction and customer loyalty is moderated by EI (Radha & Prasad, 2013; Danquah, 2014a). Though these evidences are consistent across studies, Radha & Prasad (2013), Danquah (2014a) and Opuni & Adu-Gyamfi (2014) recommend that they need to be confirmed in major service sectors

A personal survey of studies has shown that academic debate on the relationship between EI and financial performance is weak. This gap in the literature is wider in developing country context. There is also little empirical evidence on the mediation of RM, service quality, customer satisfaction and customer loyalty in this relationship. Based on the recommendation of Radha & Prasad (2013), Danquah (2014a) and Opuni & Adu-Gyamfi (2014), this study is conducted using data from Ghana's four strongest service sectors, namely banking, telecommunication, insurance and hospitality. The aim of this study is to examine the influence of EI on financial performance in these service sectors. The study incorporates the mediation of RM, service quality and customer satisfaction. This study does not capture the health sector (though it is one of Ghana's most dominant service sectors) owing to the fact that health services in Ghana are mainly offered by public hospitals which by definition are not much profit-oriented

This paper is organized in four main blocks. The first block comes with a review of related literature. The second bock captures the chosen research methodology, while the third block comes with a presentation of results. The final block discusses results, and presents conclusions and implications for future research and practice

OBJECTIVE OF THE STUDY

This study assesses the effect of Emotional Intelligence on business performance in terms of financial performance or return on investment (ROI) in the services sector in Ghana. The study also examines the mediating role of four variables in the EI-ROI relationship. These variables are relationship marketing (RM), service quality (SQ), customer satisfaction (CS), and customer loyalty (CL)

This study contributes to the improvement of the weak academic debate on the effect of EI on business

performance through its positive effect on relationship marketing (RM), service quality (SQ), customer satisfaction (CS), and customer loyalty (CL) in the services sector in Ghana. It also establishes empirical evidence on the relevance of EI to effective service delivery in Ghana

LITERATURE REVIEW AND HYPOTHESES

Irrefutably, the services sector is a major driver of socio-economic development through the growth of individual service firms. But the question is: "where does the growth of service firms come from?" Though sustainable financial performance is the expected measure of the growth of service firms, it depends largely on the nature of service delivery in the firm (Kheng et al., 2010; Saeed et al., 2011; Liang, 2012). The perceived nature of service delivery by customers comes from the quality of customer-organisation relationship (Velnampy & Sivesan, 2012; Koi-Akrofi, Koi-Akrofi & Welbeck, 2013). Customer-organisation relationship is natured in the firm's relationship marketing endeavour (Shahin, Abandi & Javadi, 2011; Koi-Akrofi et al., 2013)

Relationship marketing has been defined from different viewpoints, but all its definitions seem to make a common meaning. One of the most popular definitions is that of Gronroos (1994), who defines relationship marketing as the process of "establishing, maintaining and enhancing relationships with customers and other partners in an effort to sustain and improve an organisation's customer base and profitability" (p. 347). Another definition is given by Yaghoubi et al. (2011:901). He defines relationship marketing as a marketing mechanism for creating cohesion between customers and the firm. Generally, relationship marketing provides a portfolio of strategies and activities for serving customers or reacting to their needs in an effective and satisfactory organisation-customer relationship. In this relationship, service providers represent the service organisation and are expected to serve customers in a relationship that meets their quality expectations

Practically, relationship marketing in the service firm provides an environment for customers to determine the quality of services delivered to them. Customers' service quality perceptions are therefore developed during the firm's relationship marketing endeavour. Empirical evidences and theoretical studies have shown that relationship marketing is positively related to service quality in the services sector (Velnampy & Sivesan, 2012; Koi-Akrofi, Koi-Akrofi & Welbeck, 2013; Danquah & Wireko, 2014). Thus as the relationship marketing approach of the firm improves relative to customer expectations and needs, the better its service quality. Moreover, a bulk of marketing literature confirms the positive relationship between service quality and customer satisfaction (Velnampy & Sivesan, 2012), where customer satisfaction is empirically confirmed to positively relate to customer loyalty (Velnampy & Sivesan, 2012; Koi-Akrofi, Koi-Akrofi & Welbeck, 2013; Danquah & Wireko, 2014). It is also empirically confirmed and argued that financial performance in the firm in the short and long-runs are driven by customer satisfaction (Danquah, 2014a). Evidently, financial performance of the firm is positively related to relationship marketing, service quality and customer loyalty

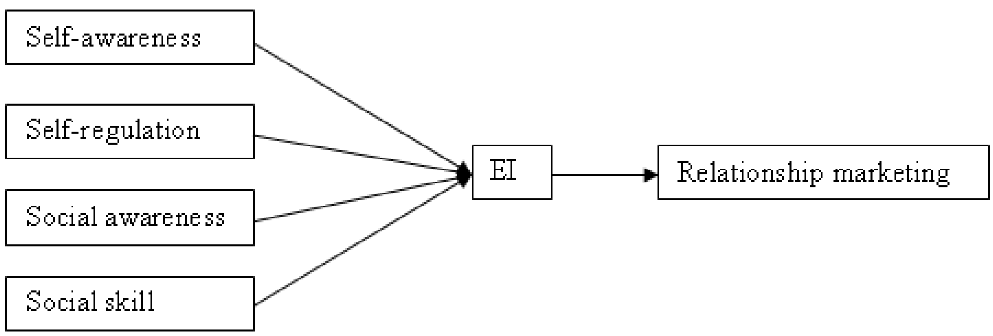
The influence of relationship marketing on service quality, customer satisfaction, customer loyalty and financial performance of the firm does not stand independent (Rehman, Khalid & Khan, 2012). In this respect, much of marketing literature indicates that relationship marketing is largely dependent on service providers' emotional intelligence (Danquah & Wireko, 2014; Danquah, 2014a; Rehman et al., 2012). This means that the effectiveness of a firm's relationship marketing approach is based on how customer care personnel demonstrate emotional intelligence in service delivery

Emotional intelligence has been defined by various writers. Harms & Credé (2010) defined emotional intelligence (EI) as the ability to identify, assess and control the emotions of oneself, of others and of groups. Before Harms & Credé,

(2010) defined EI, Salovey & Mayer (1997) defined it as “the ability to monitor one’s own and others’ feelings and emotions, to discriminate among them and to use this information to guide one’s thinking and actions” (p. 18). This definition was later modified by Mayer *et al.* (2001) to “the ability to perceive emotion, integrate emotion to facilitate thought, understand emotions and to regulate emotions towards personal growth” (p. 233). In a service marketing viewpoint, EI is personally defined as a service provider’s ability to perceive, understand and control his emotions and those of the customers he serves to ensure that services are delivered to meet the satisfaction of customers. From all these definitions the common point of focus is not the need to acquire EI skills but more importantly the need to apply them. Emotional intelligence therefore serves as a catalyst in the relationship between their service provider and the customer during service delivery

Emotional intelligence has two arms, namely trait and ability emotional intelligence (Mayer *et al.* 2001), and the two are often referred to as mixed emotional intelligence (Mayer *et al.* 2001; Opuni & Adu-Gyamfi, 2014). Goleman (1996) derived five elements of EI (i.e. self-awareness, self-regulation, social skill, empathy and motivation). In the context of service marketing, *self-awareness* is the ability to know customers’ and service provider’s emotions, strengths, weaknesses, drives, values and goals and to recognize their impact on others while using gut feelings to guide decisions (Goleman, 1996; Danquah & Wereko, 2014). *Self-regulation* is the controlling or redirecting of the service provider’s disruptive emotions and impulses and adapting to changing circumstances of customers (Goleman, 1996; Danquah, 2014a). This is based on the fact that customer taste, preferences and demands keep changing with time. *Social skill* embraces managing relationships with customers to move them in the desired direction of patronage and retention (Goleman, 1996), while *empathy* entails a consideration of customers’ feelings, especially when making decisions about product/service delivery and customer-focused strategy implementation (Goleman, 1996; Danquah & Wereko, 2014). *Motivation* is a psychological element that drives the service provider to achieve the highest level of customer patronage and satisfaction through service quality (Goleman, 1996)

The five elements of EI defined above were later reduced through Principal Component Analysis by Goleman (1998) to four, namely self-awareness, self-regulation, social awareness and social skill. This reduction was not as a result of the irrelevance of *motivation* as an element of EI. Rather, items of *motivation* were merged to the other four elements of EI by Goleman (1998). Based on the four new items of EI, Yaghoubi *et al.* (2011) developed a model that forms a basis for relating EI to financial performance. In this model, the four elements constitute EI, which drive the impact of relationship marketingFigure 1 is a conceptualisation of this model.



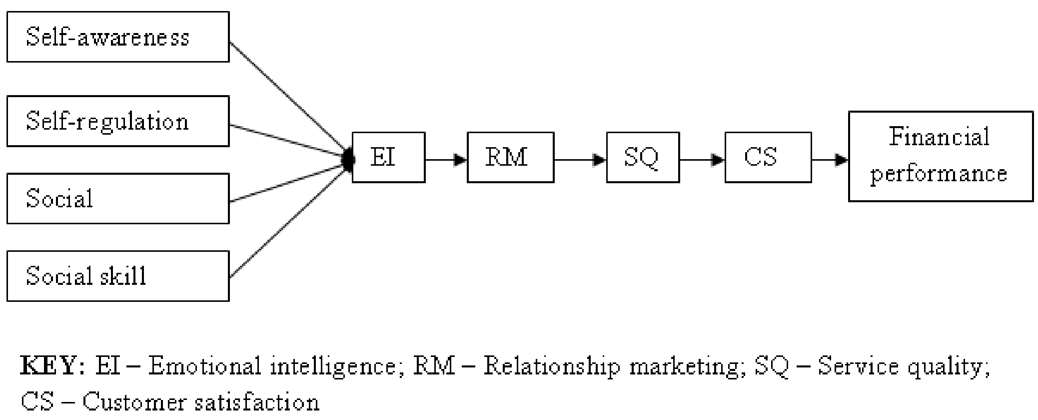
Source: Yaghoubi et al. (2011)

Figure 1: Conceptualisation of EI and Relationship Marketing

The impact of EI on the financial performance of service provider firms has been justified in two dimensions by researchers: (1) EI's direct impact on financial performance; and (2) EI's indirect impact on financial performance through its influence on service quality, customer satisfaction and customer loyalty. In terms of the first dimension, EI impacts financial performance outside its association to service quality, customer satisfaction and customer loyalty. Hashem (2010) provides precise empirical evidence to the direct impact of EI on financial performance in the delivery of banking services. Moreover, Ghalandari *et al.* (2013) found in their study that EI significantly impacts organisational performance in the health sector, with support from the findings of Pahuja & Sahi (2012) in this healthcare context. Rahim & Malik (2010) and Pahuja & Sahi (2012) also provide an empirical account that reflects the direct relationship between emotional intelligence and organizational performance

The second dimension of EI's impact on financial performance is seen in the empirical studies of Opuni & Adu-Gyamfi (2014) and Danquah (2014a). In the study of Opuni & Adu-Gyamfi (2014), service quality was found to be significantly predicted by EI in a Ghanaian context, with about 79% of variance explained. In the same research, service quality significantly predicts customer satisfaction, with a variance of 55.5% explained. In the research of Danquah & Wereko (2014), EI significantly predicts customer satisfaction, with a variance of 85.2% explained in a Ghanaian context. Since service quality and customer satisfaction form the basis of customer patronage, it is worth saying that EI positively influences financial performance indirectly through service quality and customer satisfaction. There is however a gap in the literature on the direct influence of EI on financial performance in a Ghanaian context. Though Danquah & Wereko (2014) confirmed this relationship from the perspective of banking service delivery in Ghana, the level of empirical evidences that point to the positive influence of EI on financial performance in a Ghanaian context is still very minimal. Another gap in the literature is that no study has provided these evidences in a Ghanaian context based on data employed from multiple service sectors. This gap limits the extent to which empirical evidences could be generalised in a Ghanaian context. There is also little evidence on the extent to which EI is demonstrated in service delivery across the major service sectors in Ghana

This paper therefore assesses the effect of EI on financial performance of firms in Ghana's major service sectors, namely banking, telecommunication, hospitality and insurance. The study also captures the mediation of relationship marketing, service quality, customer satisfaction, customer loyalty in the relationship between EI and financial performance. The conceptual framework on which this study's hypotheses are based is shown in Figure 2



Source: Adjusted from Source: Yaghoubi et al. (2011) and Opuni & Adu-Gyamfi (2014)

Figure 2: Conceptualisation of the Impact of EI on Financial Performance

Based on the framework of Figure 2, the following alternative hypotheses are formulated and tested

H_1The extent to which Emotional Intelligence is practiced in service delivery is not the same for all the major service sectors in Ghana.

H_2Emotional intelligence is positively correlated to relationship marketing, service quality, customer satisfaction, customer loyalty and financial performance

H_3Relationship marketing, service quality, customer satisfaction and customer loyalty provide mediation in the relationship between EI and financial performance of service firms in Ghana

Research Methods

This study employs a quantitative research approach in view of the researcher's interest to adopt random sampling procedures and statistical inference that would form a basis of generalising results over the chosen population. The target population of this study was employees and customers at the head office branches of selected banks, telecommunication firms, luxury hotels and insurance firms. That is, a representative number of firms were chosen in the banking, insurance, telecommunication and hospitality sectors in Ghana. These categories of firms were chosen because they constitute major players in Ghana's service sector. Employees were customer care personnel in the chosen service subsectors and firms. The sampling frame for employees was made up of customer care personnel who had been working in their respective firms for at least two (2) years. Employees were expected to have been affiliated to their respective firms for at least two (2) years to ensure that their responses were influenced by sufficient experience with service delivery. As a result of the fact that questionnaires were issued to customers accidentally, no sampling frame was used with respect to them

The number of employees (i.e. customer care personnel) in the sampling frame of all sectors was 1,673, whereas the number of customers estimated was above 1,000,000 for each sector. The sampling principle of Krejcie & Morgan (1970) suggests that a sample size of 384 is appropriate for a large population of at least 1,000, 000 people. By applying this sampling principle, an accidental sampling process was used to select and administer questionnaires to 384 customers in each of the four sectors. Thus questionnaires were administered to a total of 1,536 customers. Though the population of customer attendants did not correspond to 1,536 according to the sampling principle of Krejcie & Morgan (1970), this number was used as their sample size. Thus equal sample sizes of customers and customer attendants were needed to ensure that each data point of EI (measured using customer attendants) was matched to a data point of relationship marketing, service quality, customer satisfaction and customer loyalty (measured using customer attendants). Simple random sampling was used to select employees. However, their target population was stratified, with each service sector constituting a stratum. This stratification made the sampling population homogenous and eased sampling

Self-administered questionnaires for employees and customers were used to collect data. EI was measured using employees' questionnaire, which was based on the Emotional Intelligence Appraisal (EIA) and Emotional and Social Competency Inventory (ESCI) scales of Goleman (1995). Customer satisfaction (CS) and service quality (SQ) were measured with customers' questionnaire, which was based on the Zeithml et al. (1990) Service Delivery scale. Customer loyalty (CL) was measured using Ganiyu's (2012) scale. Relationship marketing (RM) was measured using the Standard Questionnaire of Bennet (2005)

Financial performance was measured in terms of return on investment (ROI). Current ROI figures were accessed from the management of the chosen telecommunication firms and used in this study. It was assumed that these current ROI figures were reached as a result of service delivery in the firms in recent times. Hence, ROI figures of each insurance firm were corresponded to data on its RM, SQ, CS and CL. However, ROI was treated as a dummy variable since the ROI value for each firm needed to be duplicated to correspond to its RM, SQ, CS and CL data. The Exploratory Factor Analysis (EFA) was used to reduce the dimensions of EI, RM, SQ, CS and CL

In the process of collecting data, customers at the various customer service centers were asked to respond to questionnaires immediately after they had been attended to by the participating relationship officers (i.e. customer care personnel). Customers were made to respond after they had been served to ensure that they provided information based on their current experiences with service delivery. Service providers were made to provide responses after customers had done so. Data was collected by means of hand delivery of questionnaires in 30 working days across all chosen firms. In data collection, some customers declined to respond to questionnaires. As a result, 1,305 questionnaires were incorporated into data analysis out of 1,536. Thus this study's response rate was 85%

Data was analyzed using Statistical Package for the Social Sciences (SPSS), Version 21. This statistical software was used owing to its robustness in terms of relational analysis. The first hypothesis was tested using one-way Analysis of Variance (ANOVA). This statistical tool was used to test for a difference in the extent to which EI is applied in service delivery in the four service sectors. The second hypothesis was tested using Pearson's correlation test and simple linear regression analysis. Pearson's correlation test was first used to identify the strength and nature of the relationship among variables. The regression analysis was then used to better relate dependent variables to independent variables. The third hypothesis was tested using partial correlation test. The goal of this test is to verify the mediation of RM, SQ, CS and CL in the EI-ROI relationship. These statistical tools were used basically because data employed were continuous and were confirmed to be normally distributed using Shapiro-Wilk test of normality. Chronbach's alpha was used to verify the reliability of the research instruments used. The reliability coefficients obtained were 0.728 (for employees' questionnaire) and 0.809 (for customers' questionnaire). The fact that data used in this study were reliable and normally distributed was a basis for reaching valid research conclusions. Results of the study are presented in the next section

RESULTS

To start with, this paper seeks to evaluate the effect of emotional intelligence on business performance in terms of financial performance in the services sector in Ghana. The study captures the mediating role of service quality, customer satisfaction and customer loyalty in the relationship between EI and business performance in the services sector in Ghana. In this section, findings of the study are presented. Findings are presented based on the assumption that data employed in this study was drawn from a normally distributed population. Hence, the Shapiro Wilk's test of normality is used to verify the normality of data. The normality test is done in Table 1

Table 1: Tests of Normality

	Shapiro-Wilk		
	Statistic	**Df**	**P-Value**
Emotional intelligence	.249	1303	.206
Relationship marketing	.254	1303	.187
Service quality	.263	1303	.145
Customer satisfaction	.241	1303	.212
Performance (ROI)	.184	1303	.453

Table 1 shows the Shapiro-Wilk's test of normality. This test verifies the assumption that data was drawn from a normally distributed population. For results of this study to be valid, this assumption must be satisfied. The test is done at 5% significance level. For the assumption to be satisfied, the p-value of each variable must be greater than the chosen level of significance. From the table, this assumption is satisfied for each variable. This sets the foundation for reaching valid results in this study. In Table 2, the level of EI demonstrated in service delivery across subsectors is estimated

Table 2: Level of EI across Sectors

	N	Mean	Std. Deviation	Std. Error	Minimum	Maximum
Banking	369	3.4986	.67213	.03499	3.00	5.00
Telecommunication	220	3.3091	.47293	.03188	3.00	5.00
Hospitality	363	3.2645	.77355	.04060	2.00	4.00
Insurance	351	3.9231	.82967	.04428	2.00	5.00
Total	**1303**	**3.5157**	**.76573**	**.02121**	**2.00**	**5.00**

Table 2 shows descriptive statistics that tell the level of EI demonstrated in service delivery in the four subsectors of the services sector in Ghana. From the table, the highest mean score comes from Insurance ($M = 3.92$, $SD = 0.83$), followed by banking ($M = 3.5$, $SD = 0.67$), telecommunication ($M = 3.31$, $SD = 0.47$) and hospitality ($M = 3.26$, $SD = 0.77$). Thus EI is much more demonstrated in service delivery in the financial services sectors than other services sectors. Tables 3 to 6 come with an ANOVA test that identifies the significance of the difference in the means

Table 3: Test of Homogeneity of Variances

Levene Statistic	Df1	Df2	P-Value
18.427	3	1299	.000

Table 3 shows results of the test of homogeneity of variances assumption. The default null hypothesis is that variances in the data associated with the four subsectors are equal. For the ANOVA to be valid, this assumption must be met. If this assumption is satisfied, the p-value would be greater than the chosen level of significance. Using a p-value of 5%, the assumption is not satisfied since $p < .05$. Yet, the ANOVA table can still be interpreted, while some tests are later used to hedge against the fact that this assumption is not satisfied

Table 4: ANOVA

	Sum of Squares	Df	Mean Square	F	P-Value
Between Groups	90.662	3	30.221	58.351	.000
Within Groups	672.766	1299	.518		
Total	**763.427**	**1302**			

Table 4 is the ANOVA test associated with the null hypothesis that EI is demonstrated in service delivery at the same extent in the four subsectors. This test is done at 5% significance level. From the table, this test is significant, $F (3, 1299) = 58.35$, $p < .05$. This means that the null hypothesis could be rejected. Hence, the extent to which EI is demonstrated in service delivery in some sectors is higher relative to others. A post hoc test is therefore needed to identify the extent of this difference. But since the homogeneity of variances assumption is not satisfied, there is the need for a robustness test to be done prior to the post hoc test

Table 5: Robust Tests of Equality of Means

	Statistic[a]	Df1	Df2	P-Value
Welch	51.956	3	704.920	.000
Brown-Forsythe	62.771	3	1241.576	.000

a. Asymptotically F distributed.

Table 6 shows the robustness test of the ANOVA test. This test helps to identify if the post hoc test can be done validly. For a green light to be given for the post hoc, the Welch and Brown-Forsythe tests must be significant at the chosen level of significance (5%). From the table, the two tests are significant. This provides a basis for proceeding with the post hoc test under the unequal variances assumed condition

Table 6: Tamhane's Post Hoc Test

(I) Sector	(J) Sector	Mean Difference(I-J)	Std. Error	P-Value
Banking	Telecommunication	.18955*	.04734	.000
	Hospitality	.23418*	.05360	.000
	Insurance	-.42443*	.05644	.000
Telecommunication	Banking	-.18955*	.04734	.000
	Hospitality	.04463	.05162	.947
	Insurance	-.61399*	.05457	.000
Hospitality	Banking	-.23418*	.05360	.000
	Telecommunication	-.04463	.05162	.947
	Insurance	-.65861*	.06008	.000
Insurance	Banking	.42443*	.05644	.000
	Telecommunication	.61399*	.05457	.000
	Hospitality	.65861*	.06008	.000

Table 6 shows the Tamhane's post hoc test. The test is done at 5% significance level. With reference to Table 2, the mean score of the banking subsector is significantly larger than that of telecommunication and hospitality subsectors ($p < .05$), but that of the insurance sector is significantly larger than it ($p < .05$). This means that the extent of demonstration of EI in service delivery in the banking subsector is higher relative to what is done in the telecommunication and hospitality subsectors, but more EI is demonstrated in service delivery in the insurance subsector than the banking subsector. However, there is no significant difference in the extent to which EI is demonstrated in service delivery in the telecommunication and hospitality subsectors in Ghana

Table 7: Correlation Matrix

	Emotional Intelligence	Relationship Marketing	Service Quality	Customer Satisfaction	Performance (ROI)
Emotional intelligence	1	.661**	.731**	.544**	.346**
Relationship marketing		1	.441**	.284**	.341**
Service quality			1	.221**	.814**
Customer satisfaction				1	.660**
Performance (ROI)					1

Correlations are significant at 5% level of significance

Table 7 shows the correlation matrix of EI, RM, SQ, CS and ROI. From the table, there is a positive correlation between EI and RM ($r = 0.661$, $p < .05$), SQ ($r = 0.731$, $p < .05$), CS ($r = 0.544$, $p < .05$) and ROI ($r = 0.346$, $p < .05$). This means that RM, SQ, and CS improves as the demonstration of EI in service delivery is enhanced. Practically, business performance in terms of ROI is driven by RM through SQ and CS. So these relationships suggest that RM, SQ and CS are practically mediators in the relationship between EI and business performance. In Table 8, this mediation is tested.

Table 8: Mediation of RM, SQ and CS

Variable Pair	Mediator(S)	Original R	Controlled R	Change In R	% Change In R
EI & Performance	RM	0.346	0.172	0.174	50%
	SQ	0.346	-0.432	0.778	225%
	CS	0.346	-0.020	0.366	106%
	RM, SQ, CS	0.346	-0.765	1.111	321%

Table 8 shows partial correlation tests in which RM, SQ, CS serve as mediators in the relationship between EI and business performance in terms of ROI. From the table, RM provides mediation in the EI-ROI relationship up to 50% of the influence on ROI. Similarly, SQ accounts for about 225% of mediation between EI and ROI, while CS accounts for 106% of the mediation in this relationship. RM, SQ and CS collectively account for 321% of the mediation in the EI-ROI relationship. Thus when RM does not serve as a mediator, EI does not influence business performance significantly. Also, when RM, SQ and CS or a combination of them do not serve as mediators, EI influences business performance negatively. So though EI is relevant to business performance in the services sector, RM, SQ and CS are precursors to its positive effect on business performance.

Table 9: Correlations by Sector

Sector	EI Correlations			
	RM	SQ	CS	ROI
Banking	0.810	0.606	0.412	0.737
Telecommunication	0.503	0.795	<u>0.851</u>	0.566
Hospitality	0.897	<u>0.905</u>	0.743	0.777
Insurance	<u>0.904</u>	0.834	0.811	<u>0.843</u>

Note: All correlations significant at 5% significance level

Table 9 shows Pearson's correlation between EI and RM, SQ, CS and ROI across the four subsectors. From the table, EI makes the strongest positive relationship with RM in the insurance subsector ($r = 0.904$, $p < .05$). However, EI makes the strongest positive effect on SQ in the hospitality services subsector ($r = 0.905$, $p < .05$). EI makes the strongest positive relationship with CS in the telecommunication subsector ($r = 0.851$, $p < .05$), while EI makes the strongest positive effect on ROI in the insurance subsector ($r = 0.843$, $p < .05$). Generally, EI positively influences RM, SQ, CS and ROI in each subsector

Table 10: Variability across Sectors

Sector	R Square			
	RM	SQ	CS	ROI
Banking	0.656	0.368	0.169	0.543
Telecommunication	0.253	0.632	<u>0.724</u>	0.320
Hospitality	0.805	<u>0.819</u>	0.552	0.603
Insurance	<u>0.817</u>	0.696	0.657	<u>0.711</u>

Table 10 shows the variations accounted by EI on each of RM, SQ, CS and ROI in each subsector. The higher the variation or variability contributed, the higher the effect of EI on the variable of interest. EI accounts its highest variation on RM in the insurance subsector (81.7%); its highest variation on SQ in the hospitality subsector (81.9%); its highest variation on CS in the telecommunication subsector (72.4%); and its highest variation on ROI in the insurance subsector (71.1%). Broadly, EI contributes substantial variations in each of RM, SQ, CS and ROI in all subsectors

Table 11: Mediation across Sectors

Sector	Original R	RM, SQ, CS Mediation	Change in R	% Change in R
Banking	0.737	0.650	0.087	12%
Telecommunication	0.566	-0.169	0.735	130%
Hospitality	0.777	0.343	0.434	56%
Insurance	0.843	0.111	0.732	87%

Table 11 shows partial correlation tests in which RM, SQ, CS serve as mediators in the relationship between EI and business performance in terms of ROI across the four subsectors. From the table, RM, SQ and CS collectively provide mediation in the EI-ROI relationship up to 12% in the banking subsector. Similarly, RM, SQ and CS collectively provide mediation for about 130% of mediation between EI and ROI in the telecommunication subsector. RM, SQ and CS collectively provide mediation for about 56% of mediation between EI and ROI in the hospitality subsector. RM, SQ and CS collectively provide mediation for about 87% of mediation between EI and ROI in the insurance subsector. This means that RM, SQ and CS provide the highest level of mediation in the EI-ROI relationship in the telecommunication subsector, followed by the insurance subsector, though these variables are strong mediators in the relationship across the four subsectors

In short, EI is much demonstrated in service delivery in the financial services sector (i.e. banking and insurance), but RM, SQ and CS much serve as mediators in the EI-ROI relationship in the non-financial services sector (i.e. hospitality and telecommunication)

DISCUSSIONS

A number of studies (e.g. Ghalandari *et al.*, 2013; Hashem, 2010; Rahim & Malik, 2010; Danquah, 2014a) confirm in developed and developing country contexts that emotional intelligence positively influences the performance of service firms in terms of financial performance. This tells of the fact that the financial performance of service firms enhances as their services are delivered in the light of employees' emotional intelligence. This evidence has been produced mostly on the banking and health sectors globally. For instance; the only related empirical evidence from Ghana has been conducted by Danquah (2014a) in the banking sector

This study therefore uniquely confirms a positive effect of EI on business performance in terms of financial performance in four service sectors, namely insurance, telecommunication, hospitality and banking. In other words, no identifiable empirical study has ever employed these set of service sectors, neither has any study examined this relationship across multiple service firms. Based on supporting evidences from other studies (e.g. Ghalandari *et al.*, 2013; Hashem, 2010; Pahuja & Sahi, 2012; etc.) however, this study's positive effect of EI on business performance across all service sectors is justifiable, but it is subject to further confirmation in specific geographical areas like Ghana to buttress its position in the subject's literature

The extent of academic debate on the effect of EI on relationship marketing, service quality, customer satisfaction and customer loyalty is higher relative to the debate on the effect of EI on business performance. So there is a stronger empirical support for this study's confirmation of the positive effect of EI on relationship marketing, service quality, customer satisfaction and customer loyalty in the literature. In this respect, an obvious related finding comes from the study of Yaghoubi et al. (2011), Opuni & Adu-Gyamfi (2014) and Danquah (2014a). But this evidence is produced using data from individual sectors such as banking and insurance

On the other hand, this study uniquely confirms the hypothesised mediation effect of relationship marketing, service quality, customer satisfaction and customer loyalty in the EI-performance relationship using data employed from multiple service sectors. Though the EI-performance relationship is found to be mediated by these variables in individual sectors (Yaghoubi et al., 2011; Danquah, 2014a), this study's result is outstanding in terms of its confirmation of the mediation effect in multiple service sectors. In essence, this study points to a general relevance of EI to financial performance through its positive effect on relationship marketing, service quality, customer satisfaction and customer loyalty in the services sector in Ghana and possibly in other jurisdictions

This study shows that EI is much applied in some sectors than others. There is no supporting empirical evidence in this respect, but some writers on this subject (e.g. Kenbach & Schutte, 2005; Ghalandari *et al.,* 2013) acknowledge that such differences are expected in every jurisdiction owing to differences in firms' awareness on the relevance of EI to effective service delivery. In essence, a lack of awareness on the importance of EI in service delivery would warrant a poor level of application of emotional competencies by employees

CONCLUSIONS

The first research hypothesis is formulated to verify the extent to which EI is practiced or applied in service delivery in the service sector in Ghana. At 5% significance level, it is found that EI is much more applied in some service sectors that others, $F(3, 1299) = 58.35$, $p < .05$. The post hoc test indicates that the mean score of the banking subsector is significantly larger than that of telecommunication and hospitality subsectors ($p < .05$), but that of the insurance sector is significantly larger than it ($p < .05$). This means that the extent of demonstration and application of EI in service delivery in the banking subsector is higher relative to what is done in the telecommunication and hospitality subsectors, but more EI is demonstrated in service delivery in the insurance subsector than the banking subsector. However, there is no significant difference in the extent to which EI is demonstrated in service delivery in the telecommunication and hospitality subsectors in Ghana

The study confirms a positive correlation between EI and RM ($r = 0.661$, $p < .05$), SQ ($r = 0.731$, $p < .05$), CS ($r = 0.544$, $p < .05$) and ROI ($r = 0.346$, $p < .05$). This means that RM, SQ, CS and financial performance improves as the demonstration of EI in service delivery is enhanced

Additionally, RM provides mediation in the EI-ROI relationship up to 50% of the influence on ROI. Similarly, SQ accounts for about 225% of mediation between EI and ROI, while CS accounts for 106% of the mediation in this relationship. RM, SQ and CS collectively account for 321% of the mediation in the EI-ROI relationship. Thus when RM does not serve as a mediator, EI does not influence business performance significantly. Also, when RM, SQ and CS or a combination of them do not serve as mediators, EI influences business performance negatively

EI makes the strongest positive relationship with RM in the insurance subsector ($r = 0.904$, $p < .05$). However, EI makes the strongest positive effect on SQ in the hospitality services subsector ($r = 0.905$, $p < .05$). EI makes the strongest positive relationship with CS in the telecommunication subsector ($r = 0.851$, $p < .05$), while EI makes the strongest positive effect on ROI in the insurance subsector ($r = 0.843$, $p < .05$). EI accounts its highest variation on RM in the insurance subsector (81.7%); its highest variation on SQ in the hospitality subsector (81.9%); its highest variation on CS in the telecommunication subsector (72.4%); and its highest variation on ROI in the insurance subsector (71.1%)

RM, SQ and CS collectively provide mediation in the EI-ROI relationship up to 12% in the banking subsector. Similarly, RM, SQ and CS collectively provide mediation for about 130% of mediation between EI and ROI in the telecommunication subsector. RM, SQ and CS collectively provide mediation for about 56% of mediation between EI and ROI in the hospitality subsector. RM, SQ and CS collectively provide mediation for about 87% of mediation between EI and ROI in the insurance subsector. This means that RM, SQ and CS provide the highest level of mediation in the EI-ROI relationship in the telecommunication subsector, followed by the insurance subsector, though these variables are strong mediators in the relationship across the four subsectors

In brief, EI is much more demonstrated in service delivery in the financial services sector (i.e. banking and insurance) relative to the hospitality and telecommunication sectors, but RM, SQ and CS much more serve as mediators in the EI-ROI relationship in the non-financial services sector (i.e. hospitality and telecommunication). Generally, EI is basically relevant to service quality, customer satisfaction, customer loyalty and business performance in the services sector in Ghana

Limitations and Implications for Future Research

This study is fraught with some limitations that must be acknowledged. Firstly, each service sector captured in this study is not wholly represented by its major firms owing to lack of funds and time. For instance; luxury hotels do not sufficiently represent the hospitality sector, considering the fact that other low-grade hotels, restaurants and leisure centres are part of this sector. Consequently, results of this study do not fully reflect the application of EI in the services sector in Ghana

Generally, service firms are encouraged to equip their customer attendants with emotional intelligence. They should also encourage and train their customer attendants to demonstrate or apply their emotional intelligence when attending to customers. This is because EI is only relevant to performance of service firms when it is applied in service delivery

It is recommended that future studies use a wider scope of major players in each of the services sectors. Future studies must also recognise the healthcare and SMEs sectors, and the use of EI in everyday behaviour. This is because these sectors are much captured in the EI literature

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